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**ARIZONA CORPORATION COMMISSION**

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September 6, 2005

Mr. Jack Davis  
President and CEO  
Arizona Public Service  
400 East Van Buren  
Phoenix, AZ 85004

Re: Maintenance Practices at APS Power Plants Located in Load Pockets

Dear Mr. Davis:

Recent events at power plants in Arizona lead me to pose several questions regarding APS maintenance practices. I am particularly interested in maintenance performed on plants serving load pockets. As you know, APS has indicated that it intends to file another rate case later this year to address the Sundance purchase and additional transmission and distribution costs. Additionally, this Commission recently approved a Power Supply Adjustor (PSA) as part of the APS Settlement Agreement (**Docket No. E-01345A-05-0526**). The fact that APS is permitted to pass fuel costs on to ratepayers only heightens the need to ensure that the Company's power plants are safely and adequately maintained, since ratepayers are now being asked to foot the bill when APS power plants are down and the Company is forced to purchase power on the open market.

I believe that the Commission should be better informed about the Company's maintenance practices in order to determine whether there are any areas that can be improved upon to increase the reliability and operability of these power plants.

Specifically, I would like to know whether APS has sought to enhance maintenance and inspections on its power plants in an effort to cut down on unplanned outages. Is APS planning on adopting new practices in light of the PSA?

I have particular concerns about older plants located within load pockets and would like the Company to provide information on specific maintenance practices that are employed at these plants. Do these practices differ from those at newer facilities, and if so, how? Please provide the Commission with information regarding the maintenance of all plants owned or partially owned by APS within the Phoenix and Yuma load pockets.

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I look forward to reviewing the Company's response to these important questions as they have increased relevance in light of the Company's PSA and anticipated rate case.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris Mayes", written in a cursive style.

Kris Mayes  
Commissioner

cc: Chairman Jeff Hatch-Miller  
Commissioner Marc Spitzer  
Commissioner William Mundell  
Commissioner Mike Gleason  
Ernest Johnson  
Heather Murphy  
Stephen Ahearn